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### MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON OCTOBER 20, 2011

Commission Chairman John D. Quackenbush called the meeting to order at 1:30 p.m. Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

#### **PRESENT**

Commission: John D. Quackenbush, Chairman

Orjiakor N. Isiogu, Commissioner Greg R. White, Commissioner

Staff: Margaret Rost

Judy Palnau Mary Jo Kunkle Catherine Bowers Al Freeman

Paul Proudfoot Patrick Hudson

Public: Jim Padgett, DTE Energy

Beverly Roberts, Consumers Energy

Suzy Westmoreland, MEGA Dan Brudzynski, DTE Energy

Jim Ault, MEGA

Uthman Aroginhte, Catapult Robin Gleason, AT&T Mike Watza, Kitch

Tim Hoffman, Consumers Energy

**I.** Commissioner Isiogu moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White

Nays - None

The agenda was approved.

**II.** Commissioner Isiogu moved to approve the minutes of the Regular Commission Meeting of October 4, 2011, Commissioner White seconded.

Vote: Yeas – Isiogu, White Nays – None Abstains – Quackenbush

The minutes were approved.

#### III. ORDERS

#### A. COMMUNICATIONS

1. U-15381 QUICK COMMUNICATION, INC. v MICHIGAN BELL TELEPHONE COMPANY, d/b/a AT&T MICHIGAN BELL TELEPHONE

U-15391 QUICK COMMUNICATION, INC. v MICHIGAN BELL TELEPHONE COMPANY, d/b/a AT&T MICHIGAN

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves two complaints that the Commission referred to mediation. Because both parties have accepted the mediator's recommendation, the order before you adopts the recommendation as the Commission's order, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

2. U-15755 ZAYO BANDWIDTH, LCC (license surrender)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves a request by Zayo Bandwidth, LLC, to surrender a license to provide basic local exchange service. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

3. U-16439 COMMISSION'S OWN MOTION (9-1-1 multiline rulemaking)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves the promulgation of rules for multiline telephone systems regarding installation of equipment necessary to provide specific location information for a 9-1-1 call. The order before you formally adopts the rules, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 4. U-16879 DEERFIELD FARMERS TELEPHONE COMPANY AND COMMUNICATION CORPORATION OF MICHIGAN, d/b/a TDS TELECOM

(interconnection agreement)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which requests Commission approval of an interconnection agreement. The order before you approves the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

#### B. ELECTRIC

1. U-16036-R CLOVERLAND ELECTRIC COOPERATIVE U-16044-R EDISON SAULT ELECTRIC COMPANY ('10 PSCR reconciliation and TIER filings)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Cloverland Electric Cooperative for approval of its power supply cost recovery reconciliation proceeding for its Cloverland legacy service territory and its Edison Sault Electric Company legacy service territory, and a motion to suspend its annual times interest earned ratio ratemaking filing requirement for the 12-month period ended December 31, 2010 for its Cloverland legacy service territory. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

### 2. U-16042-R PRESQUE ISLE ELECTRIC & GAS CO-OP ('10 PSCR reconciliation and TIER filings)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which is an application by Presque Isle Electric & Gas Co-op for a power supply cost recovery reconciliation proceeding and a times interest earned ratio ratemaking mechanism review, both for the 12-month period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

### 3. U-16307 EDISON SAULT ELECTRIC COMPANY (EOP reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Cloverland Electric Cooperative for authority to reconcile its energy optimization plan costs and revenues for its Edison Sault Legacy Territory for the 12-month period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

#### 4. U-16321 GREAT LAKES ENERGY COOPERATIVE (REP reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Great Lakes Energy Cooperative for authority to reconcile its renewable energy plan for the period ended December 31, 2010. The order

before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

### 5. U-16325 MIDWEST ENERGY COOPERATION (REP reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Midwest Energy Cooperative for authority to reconcile its renewable energy plan for the period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 6. U-16329 ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION (REP reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by The Ontonagon County Rural Electrification Association for authority to reconcile its renewable energy plan for the period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 7. U-16333 PRESQUE ISLE ELECTRIC AND GAS CO-OP (REP reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Presque Isle Electric & Gas Co-op for authority to reconcile its renewable energy plan for the period ended December 31, 2010.

The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

## 8. U-16337 THUMB ELECTRIC COOPERATIVE (REP reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Thumb Electric Cooperative for authority to reconcile its renewable energy plan for the period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 9. U-16430 PRESQUE ISLE ELECTRIC & GAS CO-OP ('11 PSCR plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Presque Isle Electric & Gas Co-op for authority to implement a revised power supply cost recovery plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 10. U-16432 CONSUMERS ENERGY COMPANY ('11 PSCR plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which is Consumers Energy Company's application for approval of its 2011 power supply cost recovery plan and factors. The order before you denies the petition

for rehearing filed by Michigan Community Action Agency Association, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

11. U-16472 THE DETROIT EDISON COMPANY U-16489 THE DETROIT EDISON COMPANY (rate case)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application filed by The Detroit Edison Company for authority to increase its rates for the generation and distribution of electricity and for other relief. The order before you authorizes the company to increase its rates for the sale and distribution of electric energy in the amount of \$174,931,000, on a jurisdictional basis and for other relief, as set forth in the order, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 12. U-16571 GLORIA DEAN BROWN v DTE ENERGY COMPANY, THE DETROIT EDISON COMPANY AND MICHIGAN CONSOLIDATED GAS COMPANY

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves a complaint filed by Gloria Dean Brown against DTE Energy Company, The Detroit Edison Company, and Michigan Consolidated Gas Company. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 13. U-16585 NORTHERN STATES POWER COMPANY-WISCONSIN (biennial renewable energy plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Northern States Power Company for approval of its biennial renewable energy plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

### 14. U-16767 DUKE ENERGY RETAIL SERVICES (renewable energy plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Duke Energy Retail Sales, LLC, for approval of its renewable energy plan. The order before you approves the renewable energy plan as in compliance with the requirements of Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 15. U-16794 CONSUMERS ENERGY COMPANY (scheduling self-implementation hearing)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application filed by Consumers Energy Company on June 10, 2011 for authority to increase its rates for the generation and distribution of electricity and for other relief. The order before you requires the utility to file a tariff showing the rates that it intends to self-implement between December 8, 2011, and June 10, 2012, and schedules a hearing, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

#### 16. U-16870 UPPER PENINSULA POWER COMPANY (monthly meter reading requirements)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which is an application by Upper Peninsula Power Company for an extension of the waivers of the monthly meter reading requirement in the Commission's billing rules applicable to residential and non-residential electric and gas customers. The order before you grants this request, Commissioner White seconded.

> Vote: Yeas – Quackenbush, Isiogu, White Nays - None

The order was adopted.

#### C. **GAS**

#### 1. U-16556 PRESOUE ISLE ELECTRIC & GAS CO-OP (TIER)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves a request by Presque Isle Electric & Gas Co-op for review of its times interest earned ratio ratemaking mechanism for the period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

> Vote: Yeas – Quackenbush, Isiogu, White Nays - None

The order was adopted.

#### 2. U-16816 CONSUMERS ENERGY COMPANY

(Act 69 certificate of public convenience and necessity)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Consumers Energy Company requesting a certificate of public convenience and necessity pursuant to 1929 PA 69 to render natural gas service in Sections 13 and 24 of Gaines Charter Township, Kent County. The order before you approves a settlement agreement and grants the certificate, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

#### 3. U-16843 AURORA GAS COMPANY (public utilities assessment)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application requesting that the Commission exempt Aurora Gas Company from 50% of the annual public utilities assessment formula to result in a fairer and more equitable allocation of regulatory expense. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

# 4. U-16872 ENCANA OIL & GAS (USA) INC. (Act 9 pipeline)

Commissioner Isiogu moved that the Commission adopt and issue order dated October 20, 2011 which involves an application by Encana Oil & Gas (USA) Inc. for authority to construct and operate the South Sunset Trail Pipeline in Oliver and Excelsior Townships, Kalkaska County. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The order was adopted.

#### IV. PUBLIC COMMENTS

There were no public comments.

Chairman Quackenbush announced that the next regularly scheduled Commission Meeting will be held on November 10, 2011.

Commissioner White congratulated Commissioner Isiogu on his tenure as Chairman of the Public Service Commission and congratulated Chairman Quackenbush on his appointment as the new Chairman of the Public Service Commission.

Commissioner Isiogu moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White Nays – None

The motion was approved.

The meeting adjourned at 1:50 p.m.

Mary Jo Kunkle
Executive Secretary